

FUND OBJECTIVE

To achieve consistent capital appreciation over medium to long-term by investing in equities and other approved investments, which harmonise with Islamic philosophy and laws.

FUND DETAILS

Launch Date	01 December 2009	Domicile	Malaysia
Currency	Ringgit Malaysia	Launch Price	RM1.0000
Units in Circulation	10.131 million units (31 October 2018)	Fund Size	RM15.477 million (31 October 2018)
Unit NAV	RM1.5276 (31 October 2018)	Dealing	Daily (as per Bursa Malaysia trading day)
Investment Manager of the Target Fund	Affin Hwang Asset Management Berhad	Target Fund	Affin Hwang AIIIMAN Growth Fund
Benchmark	FBM Emas Shariah Index (FBMS)	Taxation	8% of annual investment income
Risk Profile	Suitable for investors: <ul style="list-style-type: none"> ▪ Have a medium to long term investment horizon ▪ Are risk tolerant ▪ Seek higher returns on the investment that comply with Shariah requirements 	Fees	<ul style="list-style-type: none"> ▪ Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia Islamic Equity Fund. ▪ 1.5% p.a. fund management charge is applied on the Target Fund's NAV by Affin Hwang.

ASSET ALLOCATION OF THE TARGET FUND

Equity	Cash
Min 70%; Max 100%	Max 30%

SECTOR ALLOCATION OF THE TARGET FUND

Financials	16.7%
Industrials	14.2%
Oil & Gas	10.7%
Utilities	7.3%
Technology	6.5%
Consumer Goods	6.5%
Basic Materials	5.5%
Health Care	4.1%
Telecommunications	2.4%
Consumer Services	1.6%
Cash & Cash Equivalents	24.6%

TOP HOLDINGS OF THE TARGET FUND

Tenaga Nasional Bhd	7.3%
Dialog Group Bhd	6.0%
Petronas Chemicals Group Bhd	4.2%
Sunway Bhd	4.0%
Scientex Bhd	3.6%
Petronas Dagangan Bhd	3.6%
Fraser & Neave Hldgs Bhd	2.9%
V.S. Industry	2.8%
KLCCP Stapled Group Stapled Security	2.6%
Inari Amerton Bhd	2.5%

PERFORMANCE RECORD

This fund feeds into Affin Hwang Aiiman Growth Fund ("target fund") with the objective to achieve consistent capital appreciation over a medium to long-term by investing in equities and other approved investments, which harmonise with Islamic philosophy and laws.

Table below shows the investment returns of Sun Life Malaysia Islamic Equity Fund versus its benchmark as at 31 October 2018:

%	YTD	1M	3M	6M	1-Year	3-Year	Since Inception
Fund*	-6.8	-4.2	-4.2	-4.1	-6.7	9.5	52.8
Benchmark	-11.5	-7.2	-8.1	-10.6	-10.0	-5.0	39.8

* Calculation of past performance is based on NAV-to-NAV

Notice: Past performance of the fund is not an indication of its future performance which may differ. The fund performance is not guaranteed.

FUND MANAGER'S COMMENTS

- Local markets were softer in October, in line with regional markets, dragged by a rout in US stocks, a stronger USD, a spike in US Treasury yields, and the lingering US-China disputes.
- The local stock market saw a broad-based sell off during the month, with the FBM Emas Shariah Index down by 7.2%.
- Malaysia's total exports fell 0.3% y-o-y in August 2018, hit by declining shipments of palm oil and LNG. This led to a narrower trade surplus of RM 1.6bil; near a 4-year low.
- During an investor conference, the government raised the possibility of new taxes and sales of GLC assets to cover the revenue shortfall from the scrapping of GST.
- With the MYR around its weakest level YTD at 4.17 to the USD, sentiments are still cautious after Malaysia cut its growth rate while anticipating a wider budget deficit into 2020.

FUND MANAGER'S COMMENTS (CONTINUED)

- **STRATEGY:** Investors will be closely monitoring the upcoming 2019 budget announcement for clues on the current governments economic and fiscal policy trajectory.
- With foreign investors having largely exited the market, there could be limited downside with less selling pressure exerted on the local bourse.
- The soft performance of the FBM Emas Shariah Index YTD is pricing in a slower growth environment. We do not expect 2019 earnings to be great.
- On portfolio positioning, we remain cautious and prudent in our stock selection amidst the volatility, with cash level around 20-30%.
- We will be closely monitoring the outcome of the upcoming 2019 budget, looking out for opportunities to trade and pick up attractively valued stocks.

Source : *Affin Hwang Asset Management Berhad*
Date : *31 October 2018*

Disclaimer:

The benchmark performance is not a guide to future performances which may differ. The performance of the fund is not guaranteed. The value of the fund will fluctuate and may fall below the amount of premiums paid and the fund value depends on the actual performance of the underlying investment. This material is for information purposes only and is subject to change at any time without notice. Sun Life Malaysia does not guarantee its accuracy, completeness, correctness or timeliness for any purpose or reason. This information should not be considered as advice or recommendation in relation to your account or particular investment objectives, financial situation or needs. You may not revise, transform, or build upon this material without prior written consent of Sun Life Malaysia. Before acting on any information you should seek independent financial advice.